



Practices of Compliance in RMG Industry: A study on
Monira Knit Apparels LTD.

Prepared For

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LETTER OF TRANSMITTAL

Date:

Md. Rayhanul Islam

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Subject: Submission of Internship Report

Dear Sir,

I am here by submitting my Internship Report, which is a part of the BBA Program. This report titled, **“Practices of Compliance in RMG Industry: A study on Monira Knit Apparels LTD.”** is an overview of the Ready Made Garments Compliance department. I got the opportunity to work in a Garments where I work here in a department of Compliance and Accounts.

I will be highly thankful to you if you kindly receive this report and provide your valuable judgment. It would be my immense pleasure if you find this report useful and informative to have an apparent perspective on the issue.

Sincerely Yours,

Mohammed SajidHasan

ID: 151-11-4283

BBA Program

Daffodil International University

STUDENT DECLARATION

Actually, this report is submitted as a fulfillment of the requirement of BBA. I am **Mohammed SajidHasan** hereby declare that the work presented in this report titled “**The present situation of compliance in RMG in Bangladesh**” has been carried out by me and has not been previously submitted to any other University, College or Organization for any academic qualification, certification, diploma or degree.

Mohammed SajidHasan

ID: 151-11-4283

BBA Program

Daffodil International University

LETTER OF ACCEPTANCE

The report titled, “**The present situation of compliance in RMG in Bangladesh**” is Submitted as partial requirement of BBA program. This report has been prepared by **Mohammed Sajid Hasan** ID: 151-11-4283, major in Accounting, BBA program at Daffodil International University, under my supervision and guidance. This report is approved and accepted for presentation in defense board.

I wish his success in every step of life.

Best regards,



Md. Rayhanul Islam

Senior Lecturer

Department of Real Estate

Faculty of Business & Entrepreneurship

Daffodil International University.

PREFACE

As there have an importance of theoretical knowledge in any discipline the need for practical knowledge is also more important. Now a day's, in Bangladesh the garments manufacturing is the one of the best source for earning foreign capitals. And now it's become one of the trending business in Bangladesh. And Bangladesh stood in the number 2nd in the world for exporting garments product in other country.

As the students have to prepare their reports on the basis of the collected information individually and submit it to their respective supervisory teacher.

In this way I have also completed my academic life and now I am going to start a much broader practical life. My thought will no more reflected by imagined mirror. Bangladesh has enough man power for the garments manufacturing. Here have also cheap rate of production. And for that reason, the foreigners want to make business here. But here haven't sufficient skilled human resources. Most of the workers are uneducated unskilled too. They don't know the work perfectly. Can cause a big loss for the garments sector. Now, if they are being skilled that time Bangladesh is going to be the number one in exporting RMG products to world.

Monira Knit Apparels LTD. Is also playing a vital role in the RMG sector to export garments products to the outside country and earn foreign currency. According to me, it's a best option to make a career here as an employee.

It is really a great honor for me to have an opportunity to work as an intern in the Monira Knit Apparels LTD. During my internship, I find myself as a part of its committed workforce and I put the utmost effort to bring the relevant facts and figures with respect to the preparation of the internship report. My effort will be some of value if this report can help other students in their future study or the related organizations or some other people.

ACKNOWLEDGEMENT

While the writing of this report has been difficult, the preparation for writing has been even harder. It certainly would not have been possible without the help of many people. I would like to thank those people who supported me during my internship period and actively helped me in making this report a reality.

First of all, I would like to take the opportunity to thank **Md. Rayhanul Islam**, Senior Lecturer, Department of Real Estate, Faculty of Business & Entrepreneurship, Daffodil International University. His guidance in choosing the topic of the report helped me immensely and helped me to stay on the correct track.

I am happy to have **Md. Rayhanul Islam** as my supervisor while working for Compliance in a garments. He helped and guided me to the right direction. For that, I'm really grateful to him.

My gratitude goes to all the staffs, faculty members and friends of Daffodil International University for helping me in many ways to complete my degree. Without them, I do not think the experience would have been as great as it had been.

I am also deeply indebted to **Mohammed Mahbubur Alam Sunny**, Managing Director, of Monira Knit Apparels for allowing me to work here as a Compliance and Welfare Officer in his Organization. I respectfully appreciate his generosity.

I would like to give Thanks to all my office colleagues. **Shahriar Shoyab**, head of Accounts and Compliance, **Md. Sayeedur Rahman** HR Manager, **Md. Shanoor Ahmed** Sr. Compliance Officer and **Md. Arfan Haque** Sr. Compliance Officer of **Monira Knit Apparels** for giving me all the information.

Finally, I would like to thank my friends and family members who gave me mental support to complete my internship successfully.

EXECUTIVE SUMMERY

Actually garment is a place where fabric producers work for producing a full specific cloth from raw fabric by designing, sewing, dying and so on in order to sale the product in the local or international market. Now days in Bangladesh garments factory industry have a big demand. And now Bangladesh placed on the 2nd in exporting garments products to the world market after China.

And here we talk about the RMG industries in Bangladesh. And here Monira Knit Apparels is one of the 100% export oriented garments from Bangladesh.

And here in this report we are talking about compliance situations in RMG sector in Bangladesh. This report is to made for identifying all the compliances in RMG sector, analyze all the compliances that practices, identify which they follow and which they don't follow, if they don't follow then what's the reason for it.

Here as we study about the compliance. So we get know that here have almost three types of compliance. And all of these three types of compliance are really equally important for running a garments industry.

And here after making the report we have got a lot of findings on the compliance in RMG sector all most in all garments factory. In most of the case here the garments authority breaks the compliance law in wages rate and the overtime limit and rate for the worker. In most of the garments factory the garments authority gives the workers lowest rate from the government selected wages rate. And here another issue is most for making overtimes per day. Here the garments authority also breaks the rules here and make overtime for over limit my pressure. And sometimes they pressure workers to work in holidays too but without any facilities. And another issue is to make done their work in production contract which is not allowable for compliance. Here has another cause is the worker always feel themselves insecure in their working place.

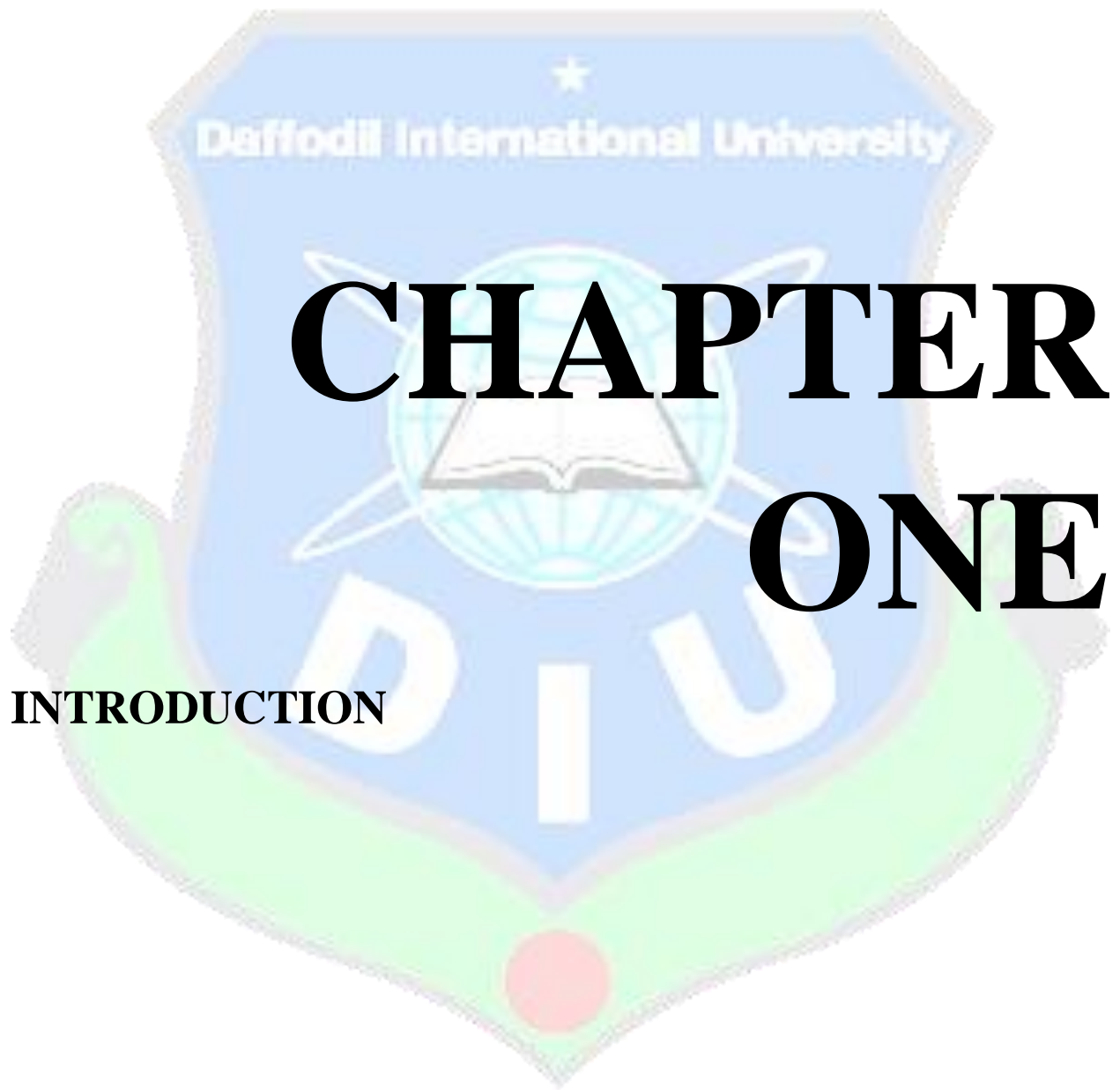
For that the government should have to more careful for the workers to retain their rights. For that still now government takes a lot of steps. Here still now have a mission to make skilled workers in the working sector. And some other steps need to take to make the work in action so that they will get all their rights. And they feel safe themselves on their working place. And their jobs are secure. And they also secure.

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CHAPTER ONE

INTRODUCTION

1.1.INTRODUCTION

Basically what do you mean by a garments? According to me a garments is a place or factory where the producers produce fabric products from raw yarn and sale to the customers or buyers. But, if you think the whole system properly then I can say that a garments is a factory place where the producers design the products and the think about the product and then produce it and check the fitness level of the product and they process it for selling it to the local market or international market.

In a garments factory there have a lot of operations are done by the workers to make a finished product. First of all, they have to buy the yarn, then they go for knitting the product for the fabric which they want to make the product like T-shirt, pant etc. Then they go for dyeing the product and make it colorful as their wish. According to their requirement. Then fabric go to the cutting and cut the fabric on their shape according to the product design. Then the cutting fabric go to sewing and sewing the product and then it goes for checking to check the quality of the product. If there have a defect, then the product goes to dump or if it's ok then it goes for packing and then go for shipment process.

In the first world country there have a regular need for good quality garment product like T-shirt, Jeans pant, Shirt and so on. And here in the South Asian there have a good product quality in garments sector. And here Bangladesh also export their garments made products in the outside country. And now Bangladesh become 2nd in the exporting garments products. And here the main reason is the cheapest cost in man power. Which most expensive in the first world country.

Monira knit ApparelsLTD. Is a 100% export oriented garments. They are a well-established & renowned company in Bangladesh manufacturing Knit wear with strong young & energetic quality experts team and maintaining high standard in low cost as per Buyers requirements. Here in this garments they produced t-shirt, polo shirt, tank top, Rugbyshirt, shorts, night wear, pajama sets, lady's fashionable knitwear & sweat shirt, short pant, long pant & all kinds of knit items. Here Dyeing can be done at any stage of the manufacturing of textile- fiber, yarn, fabric or a finished textile product including garments and apparels. The property of color fastness depends upon two factors- selection of proper dye according to the textile material to be dyed and selection of the method for dyeing the fiber, yarn or fabric.

1.2.ORIGIN OF THE STUDY

As an obligatory requirement of BBA program of my University, this report have prepared for the partial fulfillment of our BBA degree. This internship report has been prepared based on the work of three months at Monira Knit Apparels LTD. Here in these three months I have to do various works on MoniraKnit Apparels LTD. For garments purpose. In the report entitled “Practice of Compliance in the RMG Industry: A Study on Monira Knit Apparels LTD.” Supposed to evaluate the compliance situation of Monira Knit Apparels LTD. Here I have worked from 15th September 2018 to 25th December 2018 and worked as an internee under the supervision of Md. Rayhanul Islam, Senior Lecturer of Daffodil International University.

1.3.OBJECTIVES OF THE STUDY

The objectives of the study are:

- ✓ To identify the compliance of RMG industry.
- ✓ To analyze the compliances practiced in RMG industries.
- ✓ To identify the compliances which they follow.
- ✓ To identify the reasons for not following the compliance which they don't follow.
- ✓ To give suggestions for improving the compliance practice in the Garments factory.

1.4.BACKGROUND OF THE STUDY

In today, the outside top rich countries have a lot of demand of garments products from Bangladesh. And for that reason, there have established a lot of garments industries in our country. And most of these garments are now on the way of success. And here it always contributed to welfare of economic development of our country. Because now Bangladesh on the 2nd position of exporting garments product to the outside country. And here now Bangladesh earn there most of foreign currency from exporting garments products.

And here according to me, Monira Knit Apparels LTD. Is the one of the 100% export oriented garments from Bangladesh who has the fame of exporting garmentproducts.

1.5.SCOPE OF THE STUDY

Here the scope of the organizational parts covers the organizational structure, Background, Objective, Functional department and business performance of Monira Knit Apparels LTD. Here the main part covers the compliance works, compliance types, RMG sector in Bangladesh, organizational strategies, compliance situation, and finally the situation of compliance system in Bangladesh the rules and regulation of it and so on.

1.6.METHODOLOGY

I have work on MKAL for three months as an internee. And here I have to collective a lot of data to complete my internship report. And for that I have to search a lot of sources to collect data. Though these three months are not enough for someone to collect data and make report but I will make the report according to my best try.

Sources of Data:All of the data and information in the study has been incorporated and collected from the primary sources as well as secondary source.

Primary Sources:

- Face to face conversation with the office staffs.
- Personal observation during the office hours.
- Discussion with department higher officers of the company
- Work on the field with the workers.
- Working on the filed with the officers and manager
- Collect information on the purpose of the company.
- Face to face to conversation with audit officers.
- Face a lot of practical problems and make their solutions with them and ensure of not repeating the problems.
- Relevant file study provided by the officers concerned.
- Communicate with the workers.
- Communicate with other department staffs.

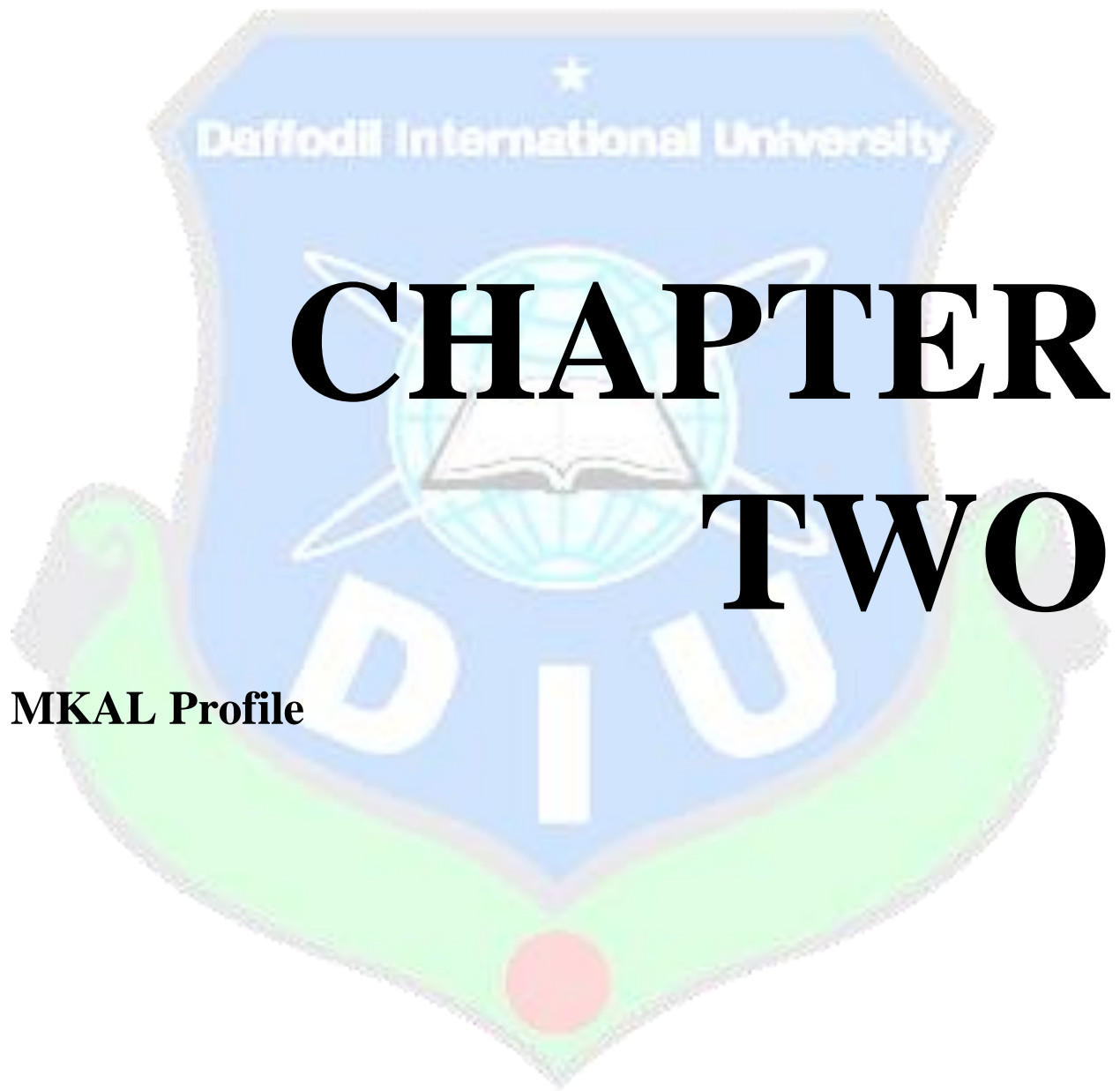
Secondary Sources:

- By analyze the workers profile.
- Gain information from the workers answers.
- Solving the problems of workers.
- Get information from the outside persons of the company.
- Annual auditing report analysis.
- Relevant books, Research papers, Newspapers and other articles.

1.7.LIMITATIONS OF THE STUDY

We all know that in every corporate office they have some hidden issues which they don't want to expose. But for the research purpose we need these type of information need badly. And here I will discuss about the limitations of the study.

- ✓ It's not enough for anyone to make a highly exclusive report within three months' experiences. And here I also get a little time to prepare the report.
- ✓ In every corporate organization there have some hidden secrets of them and they don't want to expose them to the other staffs too. And as I am new and joined as an internee so they are not highly interested to expose these sensitive issues. For that I think it's one of my big limitations.
- ✓ The compliance department staffs are always remaining busy for their audit tasks and for that it's give me a little time to consult with him about it.
- ✓ Some information I don't get properly from the worker's functions because lack of knowledge about it for them.
- ✓ As I don't know about the compliance rules and it also make a big problem for me.



CHAPTER TWO

MKAL Profile

2.1. OVERVIEW OF MKAL

Monira Knit Apparels LTD. Is a 100% export oriented garments situated in Masdair, Narayanganj. It is a middle class garments where more 300 workers with more than 20 staffs have. Here the Managing Director is Mohammed Sheikh Monira Hossain. And Directed by Mohammed Mahbul Alam.

Here this garments are in the recognition of full compliance. Here in this garments there have five staffs in the compliance department, more than 7 workers in the merchandising department and 3 staffs in the accounts department.

100% Export Oriented Composite Knitwear Industry. They are a well-established & renowned company in Bangladesh manufacturing Knit wear with strong young & energetic quality experts team and maintaining high standard in low cost as per Buyers requirements.

Here in this garments they produced t-shirt, polo shirt, tank top, Rugby shirt, shorts, night wear, pajama sets, lady's fashionable knitwear & sweat shirt, short pant, long pant & all kinds of knit items.

Dyeing is a method which imparts beauty to the textile by applying various colors and their shades on to a fabric. Dyeing can be done at any stage of the manufacturing of textile- fiber, yarn, fabric or a finished textile product including garments and apparels. The property of color fastness depends upon two factors- selection of proper dye according to the textile material to be dyed and selection of the method for dyeing the fiber, yarn or fabric.

2.2. AT A GLANCE OF MKAL

PARTICULAR	NAME
Name of the Company	Monira Knit Apparels LTD.
Address	191, West Masdair, Police Line, Fatullah, Narayanganj
Managing Director	Mohammed Monir Hossain Sheikh
Director	Sheikh Mohammed Mahbul Alam
Legal Status	Private Limited Company
Company Activities	Ready-made Garments
Products	T-Shirts, Tank Top, POLO SHIRT

Date of Incorporation	2001
Date of commencement of business	2001
Date of opening	1 st January, 2001
Branches	No any Branches
Floors	7 floors
E-m@il	Monira.knit@gmail.com
Buyers	SFARA, SJS,
Buying House	TEX EBO, CARETEX
Accord	Approved
Compliance Audit Passed	BSCI,

2.3.VISION

“To be the number one ready-made Garments in around the country on the base of high technical machines we are trying hard. It’s our dream to be the number one ready-made garments product exporter and by this give a big contribution on the economics of Bangladesh. And make Bangladesh the number one in the RMG sector in all around the world.”

By **SHEIKH MAHBUB ALAM (Director)**

2.4.MISSION

- ✓ Contribute to the social economy of our country.
- ✓ Represent Bangladesh among to the world.
- ✓ Attain the higher level of export quality assurance.
- ✓ Contribute on reducing the unemployment of our country.
- ✓ Give a 100% export quality products to the foreign buyers.
- ✓ Help Bangladesh to earn foreign currency.
- ✓ Take the company to the top of the exporters in the country and world.

By **SHEIKH MAHBUB ALAM (Director)**

2.5.COMPANY OBJECTIVES

- To run the garments with advanced high technology.
- Make an effective customer satisfaction so that they come repeatedly.
- Make products and supply it as of the wishes of buyers.
- Represent Bangladesh's product to the world.
- To play a vital role on human resource development.

By **SHEIKH MAHBUB ALAM (Director)**

2.6.STRATEGIES

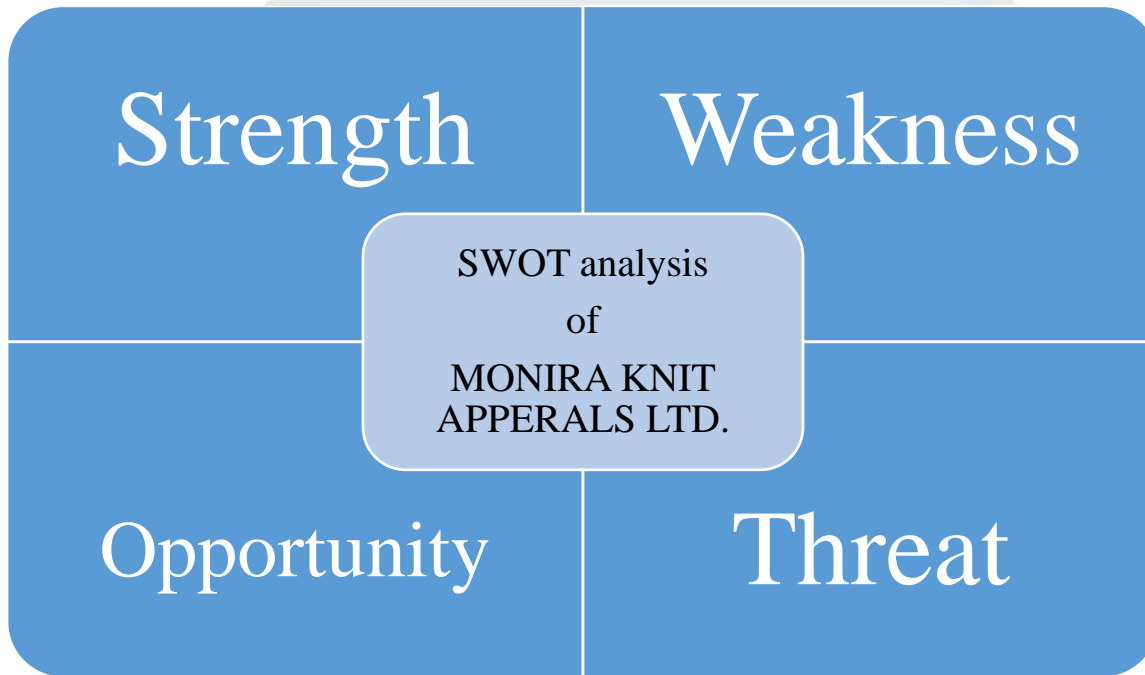
- Achieve the customer's satisfaction.
- Manage and operate the garments in an effective way
- Review and update policies.
- Be more practical for be more active.
- Make the employee more upgraded within the time.
- To ensure a suitable working environment.

2.7.CORE VALUES

- Responsive to the need of employees.
- Flexible in many approaches.
- Professional in the manner.
- Never seat with depression.
- Make the new employee suitable with the company laws.

2.8.SWOT ANALYSIS

The SWOT analysis means Strength, Weakness, Opportunity and the upcoming threat analysis of that particular organization. Here in this I will talking about the SWOT analysis of Monira apparels LTD.



Now here I will discuss about the SWOT analysis of Monira Knit apparels LTD.

Strength:

- ✓ Availability of raw materials resources.
- ✓ The location of the office in the main road and near the BISIC.
- ✓ Availability of skilled man power.
- ✓ Well functioned administrative level.
- ✓ Well decorated HR and compliance team.
- ✓ Reputation about the factory.
- ✓ Honesty of the staffs and workers.
- ✓ Available sources of capitals.
- ✓ Ability of making smart planning.
- ✓ Have a very good relationship with the customers.

- ✓ Bonding with the buyers.
- ✓ Very well transportation system.
- ✓ The urge of following the rules of Compliance.

Weakness:

- ✓ Congested working place.
- ✓ A middle level garments factory.
- ✓ Can't get any good buyer.
- ✓ Always face the problems in following compliance rules properly.
- ✓ Very difficult to maintain the workers.

Opportunity:

- ✓ As they have sufficient ways to get raw materials then it's a big opportunity to make it as a big working place.
- ✓ As they have sufficient workers sources then they can make done their work easily.
- ✓ As they have sufficient sources to get capital then they can make their garments larger.
- ✓ As the garments situated near to the BISIC then it's really an opportunity for them to make their garments lager.
- ✓ As they have sufficient skilled worker then it's really easy for them to work effectively.

Threats:

- ✓ As there working place are congested then it's a big deal for them to make a perfect setup of the organization's activities. That make a big problem for them in the working place.
- ✓ As they haven't sufficient spaces in the working place so it's really tough for the authority to make it OK to follow the compliance rules by maintain the organizational activities.

2.8.ORGANISM OF MANAGEMENT



The logo of Daffodil International University is a shield-shaped emblem. The top half is blue with a white globe in the center, overlaid with a white compass rose. The letters 'DIU' are written in large, white, serif font across the middle of the shield. The bottom half is green with a red circle at the very bottom. The text 'Daffodil International University' is faintly visible at the top of the shield.

CHAPTER THREE

THEORITICAL BACKGROUND OF COMPLIANCE

3.1.WHAT IS BUSINESS COMPLIANCE?

The compliance is described by the ability to act or do work on the order or set of rules and regulation or request.

The business compliance means do your business in a freedom but stay with some rules and regulations or with some requests.

From *Cambridge English Corpus* there have some definition for **Compliance**:

- ✓ This study was in *compliance* with all applicable laws and regulations.
- ✓ There are punishments worse than death, and one need only threaten to inflict them with sufficient certainty to induce compliance in a rational agent.
- ✓ Thus, the same level of enforcement may yield different levels of compliance.

In the financial context business compliance operates in two levels.

Level-1: Compliance may be run with the rules that may come from externally and that are imposed to the organization wholly to obey it properly to make business.

Level-2: Compliance may be run on the rules of own. That means the rules and regulation of the compliance may be created internally by the governing body of the organization to run the organization in a systematic way.

The whole compliance department always runs on the rules of internal or external. Sometimes it may be run on the rules of government. But here the compliance officers can't create any new rules by their own which haven't yet on the created rules.

In compliance the governing body or external party of the organization it may be government or their client just bound them in rules and the compliance officers must have to implement these on their work field. Especially in the garments factory level compliance practice is must to run a factory.

3.2.ROLE OF COMPLIANCE OFFICER

Compliance officer refers to an individual person whose responsibility is to ensure a company's complies with its outside regulatory requirements and internal policies.

In another word, a compliance officer is an employee of a company who helps that company in maintaining policies, laws and procedures to remain within the particular industry's regulatory framework.

The duties and responsibilities of a compliance officer is mainly included in reviewing and setting up a standard for continuing outside communications by requiring disclaimers in emails or examining facilities to ensure they are accessible and safe. Compliance officers may also create or updates internal policies to mitigate the risk of the company breaking laws and regulations, and lead internal audits of procedures.

A compliance officer must have a thorough knowledge of the company and an awareness of where possible regulatory breaches may occur. It is essential that the compliance officer effectively communicate the company's key ethics principles and compliance regulations. Compliance officers organize regular training sessions for employees to communicate key regulatory changes and updates. This is particularly important in a heightened regulatory environment where change is constant. The compliance officer must work with business units and management to ensure appropriate contingency plans are in place that set guidelines on how to respond to a possible compliance breach.



3.3.DUTY, OBJECTIVES AND GENERAL WORKS

Mainly the works for compliance is for the welfare of the workers working on the organization. But they're here have some specific works like other departments do in the work place. Here they have some specific duties, objectives and responsibilities for the compliance officer. These are:

Duty- the Compliance Officer has a duty to his employer to work with management and staff to identify and manage regulatory risk. Here the regulatory risks meant by a rules that was made by the governing body or other external party or internal party and they regulate it and the worker has to use it and the compliance manager check it do they use it or not? Suppose that in garments do the operator have the license to operate the machine.

Objective- The overriding objectives of a compliance officer should be to ensure that an organization has systems of internal control that adequately measure and manage the risks that it faces. Here it means is the organization having that ability to manage the risk if it occurs.

Responsibilities- The general responsibility of the Compliance Officer is to provide an in-house compliance service that effectively supports business areas in their duty to comply with relevant laws and regulations and internal procedures. Here means the compliance officer must have to give the worker an internal service like what they need to work in their working place, what they want, give them the exact work that they can in the working place, give them freedom to work, give them the best environment to work and so on. If the compliance officer can give them properly then it's become easy to work in the place and obey the rules of compliance.

General Works- Here in the compliance the compliance manager has to do general work regularly. And these must have to do every time.

- Does the worker get all the facilities properly?
- Maintain workers leave properly.
- Does the worker get freedom in their working place?
- Ensure not to make overtime by pressuring them.
- Get the bonus and increment in time and get training properly.

3.4. THE REQUIREMENT FOR THE COMPLIANCE FOR BUSINESS

As I mention in my report earlier that a business must need compliance for their workers. There have some requirements for the compliance to run compliance in a business firm. And if the business firm or organization can't follow it then it's really tough to run the business by practicing compliance. These are:

Internal Requirements for Business Operations: In the time of corporations, the corporation must have to full fill the internal requirements. The organizations internal must be to forming a board meeting, conducting initial and director meetings, creating and updating bylaws, providing to shareholder and transcribing all stock transfers.

Other small businesses have to include their LLCs, but they don't have the same requirements as corporations, but each of them is strongly advised to keep clear and updated records of business transactions and their relevant changes in operations or adjustments and their standards. Document templates and compliance kits (which can contain sample bylaws or an operating engagement, stock certifications seals and sample meeting minutes) can assist in organizing and fulfilling your internal compliance requirements.

Internal requirements are largely meant in the compliance so that it can be ensure, a corporation is being run with integrity and free of corruption or other corrupting elements. Some parts of the business, such as stock sales, will be governed by external compliance requirements as well.

External Government Requirements: External requirements for corporations are sanctioned by the state in which you are incorporated and those in which you conduct business. External requirements typically include the following:

- **Annual statement or report.** Many states require corporations and LLCs to submit their annual reports in order to keep clear records regarding these entities. A biennial statement may also be mandated by some states.
- **The Fair Labor Standards Act.** All corporations and LLCs are required to comply with the Fair Labor Standards Act (FLSA). The Bangladesh government establishes the minimum wage, overtime pay, and recordkeeping standards for full- and part-time

workers in Bangladesh. It can vary by departments, so business owners should be aware of these requirements and take the necessary steps to comply. Due dates and fees for reports vary from department to department, so be sure to look up regulations in the worker's department where you plan to operate.

Fines and Consequences for Non-Compliance: As the internal requirements are meant to ensure the optimum and ethical operation of a corporation, it is up to the executive, managerial and board staff members to determine appropriate penalties for a given violation.

For external requirements, penalties are imposed by country government and can range from very small amounts to very serious consequences. As with fees and requirements, the fines and types of penalties will vary from country to country. Generally, if external requirements are not met, a business can be deemed to be “piercing the corporate veil,” which eliminates the organization's limited liability protection and makes the business owner(s) directly responsible for damages and losses should a lawsuit be brought against the company. It is in a company's best interest to follow requirements and remain in “good standing.” If not, a late fee or interest payment could be enforced. If a company stays out of “good standing” for too long, administrative dissolution could result, which strips a company of its LLC or corporation advantages.

Industry-Specific Requirements: While the regulations mentioned above are applicable to all businesses, there are notable industries that are governed by additional compliance requirements. The Occupational Safety & Health Administration is responsible for ensuring the safety of workers across all industries, and they offer informative primers to facilitate compliance for organizations within those industries.

Suggestions for Internal Compliance: If someone wants to design and develop their garments or factory's internal compliance then it's really important to him to follow some points to apply them. If, they are able to apply those then he can completely able to control the internal of the compliance. These are on the next page:

- **Physical Entrance Policies:** Your Company should have a recorded statement in that outlines which individuals or positions have access to varying physical facilities that a worker has and for this he is able to work here.

- **Virtual Access:** Your business should designate who can access your servers, networks, programs and other data. So that he can prepare data for any business purpose for presentation. And here haven't any problems.
- **Password Protection:** There should be an explanation of your company's password requirements, including character specifications, frequency of password changes, blocks after unsuccessful login attempts and overall guidelines as to how employees should handle their passwords.
- **Security Updates:** Employees should be equipped with security information. This information dissemination should begin with the hiring process and continue throughout the employee's time with the organization. The business should also update employees regularly with any pertinent security notifications, such as potential bugs and attacks.
- **Virus Protection:** Your organization should go beyond simply requiring employees to have antivirus programs on their systems. You should also outline how employees should react if a virus is detected and how employees can protect their systems from viruses.
- **Emergency Response:** Employees should be provided with instructions for various types of emergencies, ranging from small server issues to major natural disasters.
- **Business Continuity:** Business continuity outlines how critical business matters will continue to be conducted during emergencies.
- **Media Removal:** A detailed explanation of how and when media is removed from the company's systems should be in place.
- **Risk Analysis:** A risk analysis and management program should encompass how risks are recognized and the action plans that will mitigate that risk.
- **Audits and Reviews:** All items on this list must be auditable, demonstrating that your company is actually taking action to undergo the necessary processes and reviewing them regularly.

These all are the requirements for a business company for compliance setup.

3.5.ISSUES OF COMPLIANCE A BUSSINESS MUST FACE

In a business especially for the garments section where work the low level worker's compliance need must. Because it's a really important for both the worker and the top level managements staffs to meet with each other. As the compliance makes work with workers and listens to the worker too so the compliance is very important for them. And here in compliance a business must face some issues and there have approximately six issues there. And here I will describe about that.

- 1. Distinguishing contractors versus workers:** Now in this day business are growing highly and are running fast with its workers. And now a day the space for the workers as only a man power decreasing day by day only for the update of the technology. But there has a contractor in every organization that source the organization with by man power that means by supplying them the labor. But sometime the organization needn't any labor but the just imposed labor to the organization without any declaration and for that the organization become bound to take them and they have to give the labor wages without any work.
- 2. Determining where risks lies:** There a business faces a lot of risks in every step. Compliances can help businesses focus on risk management of the company. Where it might the risks are. For compliance, there are federal and state laws and litigation-based risk. Compliance can help a business determine what areas pose the most risk and what should be addressed first. Because the compliance always works with the laws, rules and regulations. And for that they can determine all the risks also easily. And the compliance has that ability to give them the best solution of the problem.
- 3. Complying with wages and hours law:** Many businesses in their production level needs a complete guideline on wages and hourly rates and other labor laws. That how much should they send for the employees. How much time the workers can work in their working place per day. What can they do with their workers and what they can't? And it's not enough. Here have a lot of classifications too. Because here some grading systems in the wages selection of the workers. And every grade has their own scale of payment. And these are permitted by the government. But everyone doesn't know about it. And for that reason the organization need someone who can give information and guideline about

this. And the compliance is the best to give them guideline about wages and hours law knowledge.

- 4. Issuing equity:** sometimes there in some situation has created when the business need to issue all their equity to the next party. But there have no any guidelines about it and sometimes the organization don't know about it how to issue their equities or how do they can maintain it to issue it. And sometimes the organization just issues it without checking all the boxes. But, if there have a completed guideline on it then it's easy to issue it. And compliance is the best to get it and for that reason here the organization need compliance.
- 5. Reviewing a franchise agreement:** If the business is a franchise then it's a common practice for compliance to help the owner(s) comply with a franchise agreement. The franchise agreement contains numerous requirements that the owner is accountable for. And the owner or the top level management has to obey it. Both parties should review the franchise's business operations to make sure the business is compliant. Here, because of franchise agreement. Because, if the organization can't full fill the franchise's requirement then they franchise can also withdraw their agreement letter of business from them. And for that the organization need compliance to fill up their organization requirement for franchise.
- 6. Protecting consumer data:** Some business organization must have to store the consumer's data for some transactions and so on. But it's really tough for an organization to protect it. Because in an organization there have a lot of staffs and any staff is enough to leak the information from the organization about their consumer. And then the consumer just lost right from the organization. And then it may create a big problem. So private information needs to be mindful of the large influx of litigation regarding data breaches that give rise to privacy concerns. And for that here need to protect the consumer's data. And for that compliance is the best.

3.6. ADVANTAGES AND DISADVANTAGES OF PRACTICING COMPLIANCE

For the organization a compliance is must where have low label workers work. And for this the organization has a wide range of advantages and with that some there have some disadvantages. And will discuss about those advantages and disadvantages.

Advantages:

- ✓ By compliance the organization can ensure the proper and legal rights of the workers in their working place.
- ✓ By this the workers also can ensure their safety in their working place and they also ensure that their family also safe.
- ✓ On blessing of compliance the workers can demand their legal rights from the organization and they can properly get it.
- ✓ By the practice of compliance, the worker also gets the legal wages and they get freedom in their working place to work.
- ✓ By the blessing of compliance, the unskilled workers can become skillful in their working place and work.
- ✓ By the compliance the organization will get information about the skilled workers and who can get the promotion and which worker the company should cut off.
- ✓ By the compliance the organization can appoint new workers if they need and they are able to choose the best workers from all.
- ✓ The compliance departments works is to maintain the worker's wages sheet, their overtimes and so on. And by this they can ensure that their workers get their right salary in time and make overtime in a limited hour.

Disadvantages:

- ✓ If the organization wants to practice a perfect compliance, then it's really had to make some cost there. Because the organization need to recruit a compliance officer and staffs.
- ✓ They have to make training their workers that a really so costing.
- ✓ Sometimes the compliance departments organize some training session and they have to call the workers it can be hamper the productions too.

3.7.DISADVANTAGES OF NOT PRACTICING COMPLIANCE

Here the organization has to face some problems if they don't practice compliance properly. For that the organization have too fall in a lot of problems. These are:

- ✓ The workers don't get the legal rights in their working place and for that they become demotivated. And it can be a big hamper of production.
- ✓ The workers always fall in big problems and they can't share it with the high level of the organization.
- ✓ If there haven't any compliance practice in the organization, then the organization can't ensure them workers safety properly. What they need to do when you feel sick in your working place. Ro what they need to do if there have any disaster in the organization.
- ✓ For no any compliance practice there the organization has no any wages range idea and they recruit the workers not in a legal wage. And it can be in a big problem if they are in a compliance audit.
- ✓ If there haven't any good practice in the organization, then they have no any good idea about the labor laws and it can be fall them in a big trap. And any government labor law protecting agencies can sue against them.
- ✓ For not being compliance there haven't any experience recruiter how can recruit the correct worker and for these the organization have no any idea to recruit the worker. And by this sometimes the organization recruit under age workers too.
- ✓ For not being any compliance practice the organization can't set up the working place for the worker properly. And for that they whole working place become unsuitable for the worker.
- ✓ For not being any compliance practice the organization can't send their command to the workers properly what they want. And in the same the workers also can't send their demand to the organization top level management.

3.8.TYPES OF COMPLIANCE IN GARMENTS

A garments factory always has to follow a lot of compliances to run it as the wish of buyer. All of the above their have mostly three types of compliance in a garments factory usually follow.

These are:

- I. Social compliance
- II. Security compliance
- III. Quality compliance

Here I will briefly discuss about those compliances in a garments factory.

Social compliance: Social compliance is also known as ethical compliance. That means a garment factory how much they follow code of conduct of the government, how they save the rights of all workers, how much they give their freedom in their working place.

By following and maintaining this social compliance a garments can easily know that how much they are ethical honest to follow rules of government about the workers.

Security compliance: The duty of maintaining the security of a garment factory. That means how much safer your garment factory is. To ensure it you should use security compliance. And sometimes it's really important to get buyers order for the garments. Because the foreign buyers always want the safest place to place their orders.

Quality compliance: The quality compliance means the duty of maintaining the quality of the products. How much it is good or bad. Is it really exporting quality or not?

By these the foreign buyers get information about the production quality. And for that it's also important.

3.9.TYPES OF COMPLIANCE RISKS

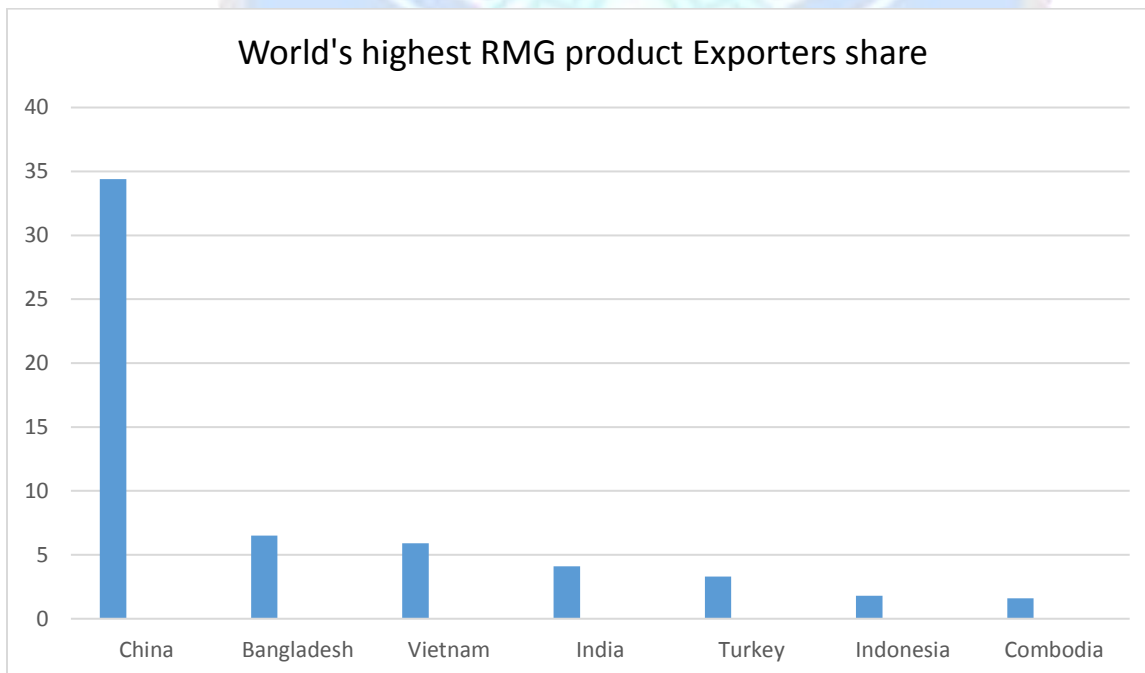
If you have a business and you run your business and there have a large number of worker functions, then you need compliance here. And in the compliance there have some risks. And sometimes the losses are occurred only for the compliance that the organization can't properly follow the compliance and for that they have to give the penalty. So here have some types of compliance risks here I discuss about those:

- 1. Environmental risk:** sometime there have a big damage in the working place and for that the workers can't here. And for that it can hampers the activities of working in the organizations place. Such as, a big disasters occurring on the organization like a flood and there have all the materials are washed away.
- 2. Health & safety risk:** health and safety are the big issue for the workers of the organization. If the workers don't feel them safe in their working place, then it's a big back patch for the compliance in the organization.
- 3. Corrupt practices:** Corruption is the risk for the organization. Sometimes the employee and the agents are involved in this in the organization for making a fraud and for that the compliance becomes failed.
- 4. Social responsibilities:** social compliance or compliance stands for protecting rights for all. But, if your organization's working activities are like that it really hampers your environment then the compliance can't protect their rights. And it's also a big risk.
- 5. Quality:** the organizations low level worker activities to supply production for the buyer requirement. Now, if the worker failed to produce the expected level then it's a big risk for the compliance.
- 6. Process risk:** The risk that your processes will fail resulting in legal violations such as failure to meet your responsibilities to your customers or partners. In failures can also result in reporting or accounting errors that breach your duties to your investors. It's also a risk for the compliance.

And here these are the risk that compliance has to bear. And if they are able to take it and solve it then the compliance only can make profit the organization.

3.10. THE PRESENT SITUATION OF GARMENTS INDUSTRIES IN BANGLADESH

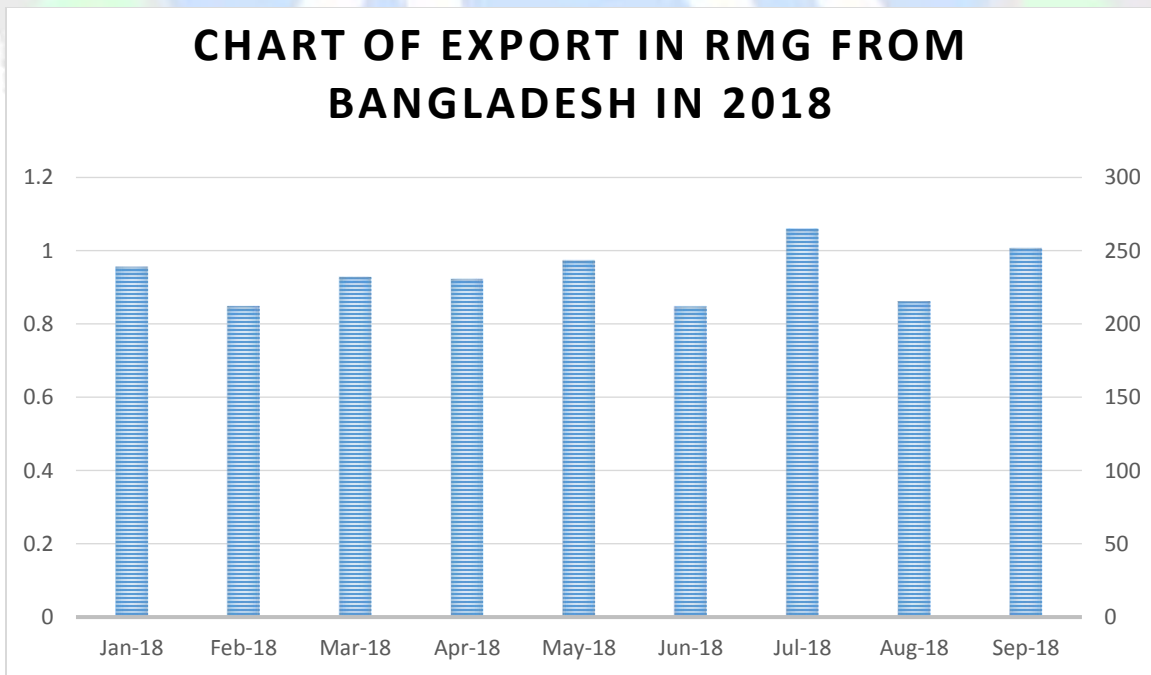
The garments industries are playing a vital role in the well development of industrial sectioning Bangladesh. Though it took a very slow and late start for example, in 1976 the garments sector of Bangladesh established a big span for your country in world market for export qualities product. For this reason, now garments sector is now one of the main and biggest export items from our country. Besides, the garments sectors are playing a vital and main role to eliminating the biggest curse of our country is unemployment. At present there are more than two thousand two hundred garment factories in all over the country where employing more than 15 lack labors where have more than 80 percent of the labor force is female. And now Bangladesh in the world's second highest ready-made garments product exporter.



Here have also more than 5,000 big, small and medium factories employing about 3.7 million workers from the total workforce of 74 million, Bangladesh is now on the top from the other Southeast Asian readymade garments product suppliers in terms of capacity of the readymade garment industries. Here also the buyers get a top level quality product and here the specialty is here the buyer get a low rate products and especially in the mid-range market product. Because of skilled and cheap labor.

Actually the ready-made garments manufacturers in Bangladesh can be classified mainly into two broad categories: (1) woven and (2) knitting products. Actually Shirts, T-shirts, pants and trousers are the main woven products. And in the undergarments here the socks, stockings, T-shirts, sweaters and other casual and soft garments are the main knitting products. The woven garment products are still dominating the garment's export earnings of our country. But the share of the knitting garment products has been increasing from the early of 1990s; These such type of products is currently given a satisfactory record more than 40 percent of our country's total RMG (ready-made Garments) export earnings (Information from BGMEA website). Although there have various types of garments are manufactured in all around the country, but only a few number of categories are such as shirts, T-shirts, trousers, jackets and sweaters, are equivalent in the major production-share (from BGMEA website). On the scale of economics in the large-scale production and export-quota holdings and in the corresponding categories there are the principal reasons for these such type of narrow product concentration.

Bangladesh made an export of 251.15 BDT billion in the fiscal year of September 2018 which rose 5.8% from the last year. And in the fiscal year 2017 it was 201.10 billion BDT. Here I will show you a graph of Export garments products from Bangladesh in this year from January to September 2018.



And now in the upcoming 2019 fiscal year Bangladesh set a target of \$39 billion as export. Now a day the ready-made garments are the country's most important industrial sector, because they now represent our GDP (Gross Domestic Profit) in 13% and it's more than 75% of total exports. A recent survey was published by the consulting firm McKinsey and the accounting firm KPMG identified an attractive and cheapest price as the most important reason for the buyers to purchase from Bangladesh. But It's a hope that the price levels will increase highly competitive in the upcoming future, as a significant efficiency is increased that will offset the rising of the wage costs gradually.

Besides there the labor cost and duty advantage, with raw materials and floor costs are also cheaper in Bangladesh. There is also no doubt about Bangladesh is now benefitting from a lot of preferential trade agreements by providing them the tax free entry into some countries.

But still now Bangladesh has its some own challenges and limitations and we need to overcome from it. There have some barriers in the space of investment of capitals, gradually interrupting power supply, highly growing interest rates, corruption, lack of technology implementation and weaknesses in law and order. Now what can Bangladesh do to recover these challenges and barriers as potential? Here we will discuss.

First of all, the inefficient infrastructure, including transportation and energy supply, is the single largest challenges for our garments industry. Because, it always hampers our productions. Now it's not a main issue but this issue will become even more important in the upcoming future, as now a day, the buyers demand to sourcing more fashionable products with shorter lead times. But the production hampers for power supply a lot. Now the government needs to prioritize the improvement of this area and they should think to update the power systems as soon as possible. But fortunately, some steps are taken for this problem now.

Secondly, the labor issue. Although the labor and social-compliance standards are improving over past a few years, but still now the suppliers are varied from grade point greatly in their degree of compliance. Now another compliance is environmental compliance is just beginning to get attention for the workers working place.

Thirdly the suppliers issue. The supplier's productivity rate must be improved not only to alleviate the impact of rising wages but also to close gaps with other production countries, such

as India, Cambodia and so on, by satisfying their new customer demands for more sophisticated products. Another problem is the Lack of investment in new machinery and technologies but the insufficient size of the skilled workforce, particularly in mid-level management, is also hampering growth in this industry.

In the fourth number, the difficult access to the raw material is very crucial for clothing exporters. Lack of backward linkages and Bangladesh's dependence on the imports can create sourcing risks and lengthen the process times. Compounding the problem is the doubt of raw-materials prices increase in recent years. The development of a local sector could improve lead times.

Fifthly, the political reason. Political instability is the main problem. Here political stability is a prerequisite for attracting foreign investors. Political unrest, strikes, and the absence of ease of doing business are major concerns of foreign investors. Because the foreign investors think that their investments are not safe there.





CHAPTER FOUR

THEORY ABOUT FACTORY COMPLIANCE AUDIT

4.1.WHAT IS FACTORY COMPLIANCE AUDIT

To know about compliance audit we should know about audit. What is audit? Why it stands for and so on.

Actually audit means a comprehensive review about a particular thing that is it really ok for the work or not. By this the reviewer just verify about the specific thing that is it stands for the real things or not. If it's seems to be real, then they give them to do work. Or if they find something work among that then the reviewer can give them punishment by their law.

Now we will talk about compliance audit. As we discuss about compliance before, *“The compliance is described by the ability to act or do work on the order or set of rules and regulation or request.”* And according to the factory the compliance is the ability to act or work on the order or set of rules and regulation of the factory and here the regulation and regulation might be on internal, external or government own.

And the factory compliance audit means to review about activities of a factory or a garments that how they follow the rules and regulation, what are their activities, what are their laws, does they break any laws, do the workers get their legal right, is the factory a safest place for the worker or not etc. and by these the auditor means the reviewers only review about the garments or the factory that is it ok or not. If they find it ok, then the audit company give them the permission about to do work. Or if they get any fault then they give them an any punishment to stop the work on the place or give them a reminder about this.

The entity doing the audit may differ according to the nature of the organization and the scope of the audit. It might be done by a public account if finance and assets are concerned, a security expert for security-related compliance audits, or IT consultants for IT infrastructure and other related compliance audits.

And for that we can say in short point that compliance audit is a review by which the auditor can review about the activities of the factory that are they in a correct way or not.

4.2.MOST COMMON 3 TYPES OF FACTORY AUDIT

In the garments sector buyers are the main game there. Here all the things are done only for the buyers. Because if they haven't any buyer then they can't exchange their products with whom? And for that now they need buyer. But the buyers want the perfect product in exchange of money. They want quality full work too. And for the perfect and quality full work the buyer always wants to be sure about their producer that can they give them the perfect product, can they give the quality work. And the producer's main power is their worker. And the buyer thing to get quality full work the producer should have to give the worker some benefits. And for that purpose the audit stands for. And for that reason here all on the above the buyer is main. Because the buyers always want to your audit reports and results before they give you the works.

And for that reason expert divided Factory audit into three types. But there have a lot of types of factory audit. And here we will discuss about it. These are:

1. Social Compliance Audit
2. Quality System Audit
3. Security Audit

Here we will discuss about it.

1. Social Compliance Audit

Social compliance audits are also known as social and ethical audit, ethical audits or social accountability audits. This type of factory or working place audit stands for monitoring the supply chain of retailers to verify that does their requirements for working conditions are fulfilled or not, what they need to fulfill the requirement and so on. Social compliance requirements set by retailers frequently include areas concerning:

- Fire exits
- Health and safety for the workers
- Protection for the workers in the working place
- Workers' insurance
- Worker's rights and needs

- Workers issues that should be considered
- Storage of hazardous materials

These types of social compliance audits also can help the retailers and brands of the company the ability to manage the social compliance's all risks that could be make a big impact on the company's financial situations. On the other hand, the negative use of the compliance may be resulting from poor working conditions, unethical labor practices, unprofessional law creations could do significant damage to a brand's company global reputation.

For example, the X social compliance audit has been widely spread in factories that produce X's brand products. In these type of program, there are two types of non-compliant facilities: one-year non-compliant and zero tolerance. For one-year non-compliant, X allows the facility two more opportunities to correct the issues that are for issued and pass a subsequent audit. If any facility fails the audit because of violations in child labor, forced labor, corporal punishment, low labor wages, no condition for work, conflict of interest, no protection on the working place that time buyers can refuse products manufactured in these facilities for up to four years. Even if for life time if they want.

2. Quality System Audit

The common type of factory audit is a quality system maintaining audit. A quality system audit is a similar type of factory audit that used to understand that how the suppliers are producing products, in which way the adopt the way that will ensure quality that the buyer need and the ability to deliver the product in time. That means it's a way to review how much efficient the producers are to maintain the quality of the product and deliver it.

Typically, a quality system audit will be performed in a time of interval and includes an evaluating method to the quality maintaining systems, management controlling techniques, machinery maintenance techniques and a lot of other factors. The facility of passing these types of audit should have been a normal clearly meant the internal system of monitoring procedures that can be ensured all the effective and efficient actions. There have a lot of rules and regulations and standards for maintaining quality system audits, such as ISO 9000, AS9100, ISO 13485 or the FDA's QSR.

In the standards for that ISO 9000 is concerned about the quality management systems for institutions that have the ability to provide the producers the products and services that can be meet all the needs and requirements of their customers or consumers. There are eight quality management principles that are defined in this system, including:

- Focus on the customers
- The leadership on the producers
- People engagement
- All approaches of process
- System of management of approach
- Continuous improvement
- Factual approach on decision making
- Mutually relationships with supplier beneficiary

3. Security Audit

The last on is the security audit. Security audit is the least version of audit among all of these three types of factory compliance audits that a retailer might be required or not. Not for all but some retailers and brands are required this auditing process with a view to make a full compliant with Customs-Trade Partnership against Terrorism (C-TPAT) regulations.

The main focus of this type of audit is to make sure that however the manufacturing working place is secure or not. And what types of risks there are for protecting the acts of terrorism associated with the facility. C-TPAT is set by the country of U.S. customs and Border the Protections and focuses on protecting the supply chain, identifying security gaps and implementing all the specific security measures and best practices which are related to preventing terrorism.

By this it is a good practice for all the manufacturing company to assure that is it good secure or not. And the buyer makes it only and by that they can just verify that is their products are safe or not.

4.3. REQUIREMENTS OF SA8000 SOCIAL COMPLIANCE AUDIT

Do the producers hire workers that meet the minimum age requirement which is set by local government laws? Are the workers at your factory working overtime within the maximum allowed number of times? Is the factory where you produce product providing insurance and other benefits mandated by law to their staff?

But you should know about those questions that why these questions are important to the success of your business. But a lack of care in investigating your supplier and answering these questions surrounding social compliance can cause you to lose. And for that you can also loss you're a lot of customers too.

But if you want to know about it then you might know about SA8000 Standards. It is based on the United Nations declaration on Human rights, national labor laws and international human rights norms. SA8000 is a voluntary standard for social compliance used by many third-party auditors. If any factory owner wants to get, verify about their social compliance of their factory by SA8000 then they need to fulfill at least nine requirements. These are:

1. Child labor

The SA8000 standard of audit always looking for violations involvement of child labor. Allegianceto the all local and national laws will generally show that a factory product supplier is compliant with this section. Besides age restrictions here have some other standard requirements that:

- ✓ Young workers must have to give priority to the education compulsory and it's on the education law and he can't do work during the school period.
- ✓ A young worker can't be able to work more than eight hours in a day.
- ✓ Any children or young worker don't work in an unsafe working condition.
- ✓ If the worker is less than 18 years then there some laws for that age and have some restrictions.
- ✓ None work here whose age is less than 14 years.
- ✓ Here under this there have a law for the handicap workers too.

2. Forced labor

This requirement is most important for all workers. And it's also important for all nations too. Here the employee must ensure that no any worker is not here employing by force or slave labor on the factory and the factory not withholding any employee's personal documents, salary and benefits from the worker. It also requires on that law is that the staffs might have all the rights to leave the working place at the end of every working day.

Now a day's forced labor is the most important aspect of a social compliance that has made its own way in some specific legislature outside of voluntary standards. California addressed the issue of forced labor statewide with the Transparency in Supply Chains Act, which took effect in 2012.

3. Health and Safety

The major requirement is Health and safety. It is a broader requirement of the SA8000 standard concerning on the minimization or elimination of dangers in the working place. Here in this section there has many areas in common act with the Occupational Safety & Health Act of 1970. There are some specific requirements, such as:

- ✓ Organizations must count the health risks for all new, expectant, nursing and sick mothers.
- ✓ All the staffs must be provided their appropriate protective equipment like hardhats, gloves, respirators.
- ✓ The staffs should have get the clean toilet facilities and the toilet must be free.
- ✓ In all factory their must a potable water jar or there must be a facilities of pure drinking water and storage facilities for food storage.
- ✓ In every factory if there have multiple floors and every floor must have need a first aid box to provide a first aid treatment initially if anyone injured.
- ✓ Every must has been a well-trained first aider.
- ✓ The worker must have to train on self-protecting work too.
- ✓ The worker must give the right not to work in an unhealthy place.
- ✓ In every factory must have a fire alarm which alarm in a fire?

- ✓ In every floor there must have fire equipment and everything must be opened.

4. Freedom of association and collective bargain

The point of freedom of association and collective bargaining. It is more important for the workers. It is one that can be somewhat contended by local or national law. This requirement always allows the workers in the right to organize the trade unions of their choosing the best. But then there have some countries like China and others which restricts all memberships to those trade unions that fall under the All-China Federation of Trade Unions. SA8000 has a vision to indicate all this, requiring organizations to allow workers to freely elect their own representatives. It also protects the workers by associate to unions from being avoidance, harassment and threat.

5. discrimination

The SA8000 standard always guard the factory workers from the discrimination on the basis of race, origin, caste, gender, religion, political affiliation and many other attributes. Some suppliers that meet this requirement cannot interfere with exercises of worker's rights to certain practices related to religion, such as prayer. Suppliers cannot allow abusive, threatening or coercive behavior in the workplace. Because by this there make a problem all over the factory and it can hamper their productions. And the factory producer cannot force the staffs to take any pregnancy or virginity tests which make the female worker in an uneasy situation. And every worker should have to give the same rights. According to their gender, religion and political situation. Such as, in a Hindu factory most of them are Hindu but a few are Muslim and the other don't give them the chance to pray. In the same case may occur on the case Hindu too. That the Muslim don't allow the Hindu worker to do their prayer in time. Or it might be in the case of political situation too.

6. Disciplinary practice

The suppliers always respect all official staffs but the make rude with the factory workers. And for that reason sometimes the staffs make very cruel behave with their labor. And they give sometimes many inhuman punishments to the labor for there a simple mistake. But these

disciplinary practices must have forbidden. Because by these type of inhuman practice worker going demotivated and always worry for punishments. And for that reason also the quality can go down. And for that reason it's strictly forbidden.

7. working hours

Working hours are the most important issue for the workers in a factory. But there have a lot of conflict for this issue and in this the worker mostly get deprived. In the labor law their have a working hour is in a limited of 8 hours in a day. And if he wants then he can do a work for more extra 2 hours an overtime. And here the overtime rate must be double than the legal time. And the worker should get a holiday after every six working day. And he is not bound to work here for more than 10 hours in a day maximum. For that there have a saying that,

"Workers must make overtime voluntary, and overtime hours cannot exceed 12 hours per week."

But these are the issue. Some factories don't follow these rules and force the workers to work. But they don't give them a legal overtime rate for them. And there another law is that if the worker work in a holiday then he should get a casual leave in next three working days with triple per day salary rate.

But there has another law for the worker is that to work more in a day more that the legal working time and legal overtime. And for that he should bargain with the factory.

8. remuneration

An audit of the factory supplier using the SA8000 standard will investigate that whether or not the supplier is paying at least a living wage to workers. Wages paid by the supplier and need to be enough to cover basic needs of the worker and allow for discretionary income. Because the wages must have the ability to cover the living standard of a worker. But in some cases their have some situations occur. These are:

- ✓ Worker don't get the enough wages what they work.
- ✓ Sometimes the factory deducts the wages from the worker as their disciplinary or punishment for doing anything wrong.
- ✓ Sometimes they deduct wages from them as a late fee.
- ✓ Sometimes they don't get the full wages as for production loss or shipment loss.

- ✓ Sometime the factory doesn't give the workers overtime as a premium rate and give them a same rate of legal hours only.
- ✓ Sometimes the factory doesn't give the salary to the workers and the occupied it and make them work.

9. management system

With a view to be one of a supplier become a SA8000 compliant, there are some steps of management that must take regarding on the corrective functions, preventative measures, policies making and documentation programming. And for that the office management should make a documentation about it. But this is a lengthy section outside the scope of this article, but there have some main points are as follows:

- ✓ The senior management of the factory must inform all the staffs and workers of their intention to comply with SA8000 with a written policy statement.
- ✓ The supplier must appropriately make a document of conformance and implementation of the standard about SA 8000 that they practice.
- ✓ The supplier must set up a Social Performance Team (SPT) in the factory to oversee the implementation of the SA8000 standard, as well as identify and assess risks.
- ✓ The supplier must develop a written grievance procedure that is confidential and non-retaliatory.
- ✓ Your supplier must train staff to implement the SA8000 standard
- ✓ The supplier must have to give a wide range of training about all of the rights of the workers and so on.
- ✓ They should inform the workers about the rights.

4.4.BASIC REQUIREMENTS OF BSCI

BSCI is one of the most reliable audit firm in the world for social compliance audit. Here it has a lot of code of conduct to follow. And the factory must have to follow these types of conducts. If the factory doesn't follow these types of codes, then they think that the factory can't follow the laws of social compliance. These are:

- 1. The rights of Freedom of Association and Collective Bargaining:** All the Business partners must have to respect the right of workers so that they can form unions in a free way and democratic way, there might not be any discrimination between the workers because of the trade union memberships and respect worker's right to bargain in a collective way. No any Business partners shall prevent their worker's representatives from having access to workers in the workplace or from interacting with them.
- 2. No Discrimination:** All the business partners should not be discriminated, excluded or have a certain preference for persons on the basis of sex, ages, religions, race, castes, birth, social background, disability, ethnic and national origin, nationality, membership in unions or any other legitimated organization, political affiliation or opinions, sexual orientation, family responsibilities, marital status, diseases or any other condition that could give rise to discrimination.
- 3. Fair Remuneration:** Business partners observe this principle when they respect the right of the workers to receive fair remuneration that is sufficient to provide them with a decent living for themselves and their families, as well as the social benefits legally granted, without prejudice to the specific expectations set out hereunder. Business partners shall comply, as a minimum, with wages mandated by government's minimum wage legislation, or industry standards approved on the basis of collective bargaining, whichever is higher. Wages are to be paid in a timely manner, regularly, and fully in legal tender. Partial payment in the form of allowance "in kind" is accepted in line with ILO specifications.
- 4. Decent Working Hours:** Business partners observe this principle when they ensure that workers are not required to work more than 48 regular hours per week, without prejudice to the specific expectations set out hereunder. However, the AMFFORI BSCI recognizes the exceptions specified by the ILO. Applicable national laws, industry benchmark

standards or collective agreements are to be interpreted within the international framework set out by the ILO.

- 5. Occupational Health and Safety:** Business partners observe this principle when they respect the right to healthy working and living conditions of workers and local communities, without prejudice to the specific expectations set out hereunder. Vulnerable individuals such as - but not limited to - young workers, new and expecting mothers and persons with disabilities.
- 6. No Child Labor:** Business partners observe this principle when they do not employ directly or indirectly, children below the minimum age of completion of compulsory schooling as defined by law, which shall not be less than 15 years, unless the exceptions recognized by the ILO apply. Business partners must establish robust age-verification mechanisms as part of the recruitment process, which may not be in any way degrading or disrespectful to the worker.
- 7. Special Protection for Young Workers:** Business partners observe this principle when they ensure that young person do not work at night and that they are protected against conditions of work which are prejudicial to their health, safety, morals and development, without prejudice to the specific expectations set out in this principle. Where young workers are employed.
- 8. No Precarious Employment:** Before entering into employment, business partners are to provide workers with understandable information about their rights, responsibilities and employment conditions, including working hours, remuneration and terms of payment. Business partners observe this principle when, without prejudice to the specific expectations set out in this chapter, they ensure that their employment relationships do not cause insecurity and social or economic vulnerability for their workers, work is performed on the basis of a recognized and documented employment relationship.
- 9. No bonded Labor:**Business partners shall not engage in any form of servitude, forced, bonded, indentured, trafficked or non-voluntary labor. Business partners will risk allegations of complicity if they benefit from the use of such forms of labor by their business partners. Business partners shall act with special diligence when engaging and recruiting migrant workers both directly and indirectly. Business partners shall allow their workers the right to leave work and freely terminate their employment provided that

workers give reasonable notice to the employer. Business partners shall ensure that workers are not subject to inhumane or degrading treatment, corporal punishment, mental or physical coercion or verbal abuse.

10. Ethical Business Behavior: Business partners observe this principle when, and without prejudice to the goals and expectations set out in this chapter, they are not involved in any act of corruption, extortion or embezzlement, nor in any form of bribery - including but not limited to - the promising, offering, giving or accepting of any improper monetary or other incentive. Business partners are expected to keep accurate.

11. Protection of the Environment: Business partners observe this principle when they take the necessary measures to avoid environmental degradation, without prejudice to the specific expectations set out in this chapter. Business partners should assess significant environmental impact of operations, and establish effective policies and procedures that reflect their environmental responsibility. They will see to implement adequate measures to prevent or minimize adverse effects on the community, natural resources and the overall environment.

These are the main codes of BSCI audit. They always check these. If they find any fault on that then they think the factory is not available to work with their manpower.

4.5.MAIN REQUIREMENTS OF C-TPAT

C-TPAT is an audit for security purpose. Here this audit is made for the security in the building of the factory where the buyers are ordered their products. And this audit made for the buyers that how much their products are safe and how they give assured of safety. For that they check some issues:

- 1. Container Security:** The container which contains their product and carry the product to the shipment place. The company should have to security to the buyers.
- 2. Physical Security:** The garments should have to give all the employee and workers the physical safety too. They should have to give them the security. Because, there have some insecurity in the working place and it may be internally or externally both. Sometimes, there have an attack from enemies, or sometimes, workers get injured by the low quality or out of order machine.
- 3. Personnel Security:** In the garments their have some big personnel. And they have the risk of insecurity. They have to give them the highest security.Because all the business personnel have some life risks. And for that they sometimes feel insecure. It may occur in the case of workers too.
- 4. Procedural Security:** there have a lot of procedurals in a garment factory. And they have to secure all of this procedures. And they need it.
- 5. Information Technology Security:** Sometimes the organization need a very careful safety in their IT department. Because here all the information is really sensitive. If the IT security is weak then it became a very problem and sometimes it can leak their very sensitive information too about their buyer or other their information to the other. Which can create a lot of problems.
- 6. Security Training & Threat Awareness:** the workers and the employees have to ensure their safety first in the organization. And for that they both need security trainings. So that they can make themselves secure in time of danger. And the workers should have to aware about their threats which may be they can face in the working place.
- 7. Security System:** In every working place their must has a security system for the safety of the workers. And it's a big process of security. The security system always allows them that

unknown person can't get access in the working place. And, if they want to get entry then they might have to inform their authority.

- 8. Access Control:** In a garments there have an access control for all of the workers and staffs. The factory should ensure how much secure their access control is.

These are facts that a security auditor mainly checks to make sure a safest working place. And by that they make sure the buyers that the working place is safe for them and they can work here surely.

4.6.8 PRINCIPLES OF ISO 9001 AUDIT

Like other BSCI, SA8000, C-TPAT ISO 9001 is also an audit. This audit is made for the quality controlling. By this audit the auditors ensure the buyers about the quality of the product of the factory. It is very easy carefully work. Because every client always wants the quality work. And the buyer always come in this country's garments for quality work along with low price. And for that the ISO 9001 follow some principles. These are:

- 1. Customer Focus:** The factory must have to give their concentration on their customers want. They should think about that what their customer want from them. What they need to make it fulfill and by that they have to work. Because every customer has their own taste. And if the producer can't really focus on the taste and the need of customer then the whole order is going to waste. And for that the auditors concentrate on the customer focus on the factory.
- 2. Leadership:** There must have a leadership process in the organization. And the organization should follow it. Because if the leadership is perfect then he can make a work successfully. For that they need a good leader. And here they find about the good Managing authority who can think about all of these issues to run it properly. But, if the leader is not good that time factory can't finish their tasks in time.
- 3. Involvement of People:** Here how many people are involved in the work it also a noticeable matter for the organization. Because, if there have a lot of orders but the organization haven't sufficient workers. It can also make a big problem for the buyer. In another hand, if the buyer

gives you a little order but there have a lot of employees that time it also make you a big problem in time too.

4. **Process Approach:** To produce a product there have a lot of processes in many stages. And the producers have to maintain those stages properly. Like to make a t-shirt the factory producer has make knitting, dying, cutting, printing (if they need any art or design on the shirt), sewing, quality checking, finishing checking, packaging, bundling, loading to the carrier. These are the processes. And the auditors make sure that does these processes are make in an easy way or in a complex way. Suppose in a garments factory, every department are established in a sequential way like knitting => Dying => Printing => Sewing => Quality checking from the top to the bottom. But, if all the departments are established in sequential situation that time it's really tough for the factory to maintain it.
5. **Systematic Approach to Management:** The management have to maintain a systematic way to manage the factory production. And all the activities an occurred in the factory must be in a system. Because, if the producer never follows any systematic approach then it may be make a big problem.
6. **Continual Improvement:** If a factory never make improvement in there every step then no any buyer wants to place their order to that factory. Because they never want to improve any improvement. For that reason, the factory has to make a consciously improvement in there working place. And the auditor always makes follow up on it.
7. **Factual Approach to Decision Making:** In a garments factory the decision making is the vital to make an order successful. Because, if the administration can't take any correct decision in right time the company can face a lot of big financial disaster. And the buyers never want to take risk with their products. Because, they think about after making the order if the garments get closed. it's a big problem for them.
8. **Mutually Beneficial Supplier Relationships:** Their might be a good relationship between the producer and the suppliers. Because, the suppliers always supply goods to the manufacturer to produce the goods. Like A factory make T-Shirts but for that they need Knit, buttons, zipper, care labels, price labels etc. And they have to take it for other suppliers. For that reason, they have to make a good relationship with the suppliers.

These are the eight contents for the ISO 9001 audit. That they follow on the time of audit. And the factories have to maintain those criterions.



CHAPTER FIVE

COMPLIANCE SITUATION IN RMGSECTOR OF BANGLADESH

5.1.CURRENT SITUATION OF COMPLIANCE IN RMG

As we mentioned here earlier that still now in Bangladesh there are more than two thousand garments and more than five thousand factories. And they employ almost 3.6 million workers. And most of them work as a factory worker. And some of them are skilled and others are unskilled. But the workers work but they have some needs and the factory garments authority should have to fulfill their demands. And for this reason there is a department as compliance. Then compliance's work is to make a connection between the workers and the authority, look after the workers' needs, think about their demands. And the compliance actually made for the workers to look after whether they get actual salary or not. How many times they work in the factory, do they get leaves at their demand, and do they get bonus at their time. And so on.

But according to the situation of Bangladesh ready-made garments the compliance situation is satisfactory but in the mid-level and low-level garments it's really tough for the workers and authority to maintain and obey the full compliance rules and regulation and fulfill it. These are:

Wages and benefits: the compliance has to follow-up a big issue for the worker is their right wages and benefits. Do they get it properly? He should follow it.

Working hours: They should follow the working hours of the workers that how many hours they are working and in that exchange how much they get. And he has to ensure that a worker must be work not more than 8 hours in a day and it's a legal hour and with that the worker can work more 2 hours as overtime.

Overtime rate: The compliance should ensure the worker overtime rate that how much he works and does he get double rate in his overtime rate.

Leave & Holidays: If any worker demand a leave and he apply or he don't attend and enjoy a leave then the compliance have to investigate does the leave is real or fake. And here the workers should have also give a holiday too with payment and a worker can enjoy a holiday after each six working days.

Women's rights: Here a compliance officer must have to ensure women's right in their working place. Because the women are always deprived from their rights.

Harassment & abuse:The compliance should make the factory one of the safest place for them. And here they will not harass sexually or abused in any other way.

No discrimination:In the working place all the workers are same. And there will not any discrimination among the workers.

Elimination of forced work:In the factory there shouldn't any work done by force and the compliance should follow up it.

Elimination of child labor:In the factory there shouldn't any child worker and everyone must have to be at least 18 years old. And if anyone else less than 18 then he might be more than 14 as a young worker.

Workplace condition:The compliance should follow up the working place condition of the factory that is it safe for the worker or not.

Welfare Facilities:In the compliance there must have some person to work as the welfare for the workers. And he only work for the facilities for the worker.

Safety fact:The working place is the safest place for the worker the compliance should have to ensure it to the worker.

Freedom of association:In the working place the work has to feel they are free to work and they can freely join to any association.

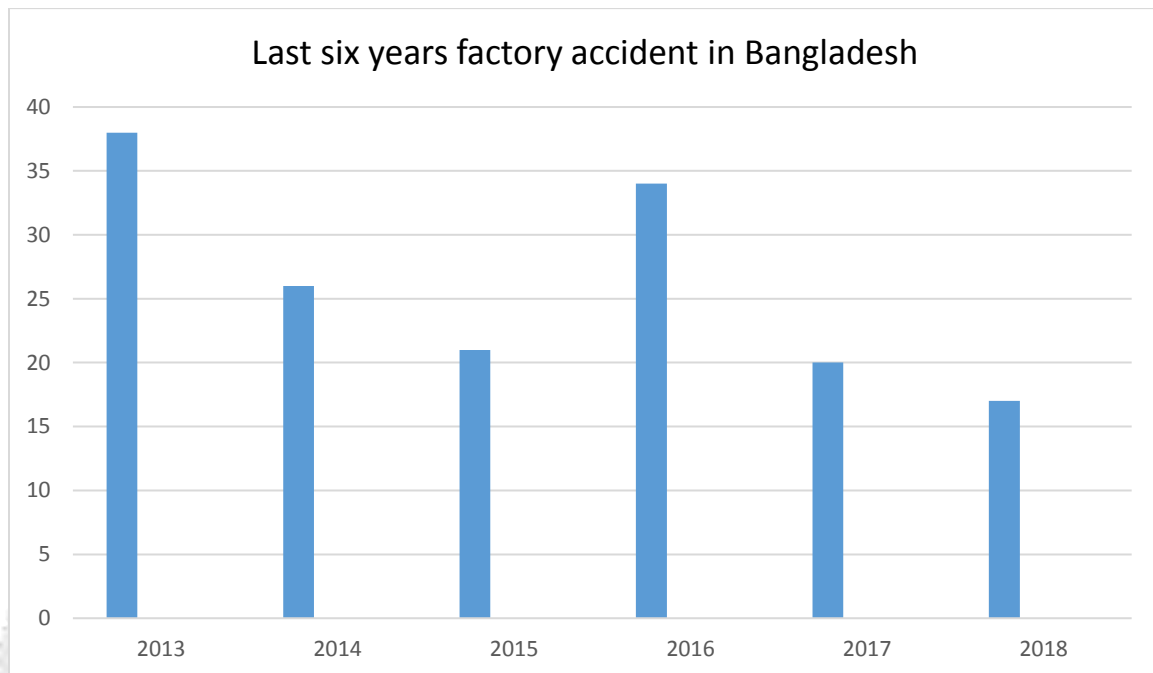
Trainings: Trainings are must for the worker to be a potential worker. Because by training the worker become skilled.

Grievance handling procedure:The compliance should have to check the grievance from the worker and have to solve it.

5.2. ACCIDENTS IN RMG SECTORS IN BANGLADESH

Not obeying the compliance issues which may be more important for the employees and for that reason most of the employees are fall in a problem. And most of the accident are occurred for not obeying the compliance rules. And here the main issue occurred in the 2013 “THE RANA PLAZA TRAGEDY”. And here in this tragedy there a lot of workers lost their life and most of

the employees are badly injured. That occurred only for not obeying the rules of worker rights and workers law. And like every year lot of workers lost their life and died in the garments accidents. And in the inspection it occurs for the garments irregular activities of compliance. Here is a graph of number of accident in garments factory in Bangladesh:



The three main stakeholders the government, the suppliers and the buyers must have to work together to realize the potential of Bangladesh's ready-made-garment market in world market. From all of the priorities the government should prioritize on the investment field. That it should be developed the infrastructures, ensuring political stability, reducing corruption, and providing education and trade support in easy condition.

Buyers also should help the producers to increase the supply chain's efficiency and transparency and increase their support for lean operations and electronic data exchange. They should also build closer relationships with producers to improve their own operational execution. Their long response times, all the complexity of internally procedure are involving the merchandising and sourcing functions, and a large number of sudden changes can also slow down the overall process.

Though in Bangladesh there has some very thankful advantages in certain dimensions in the garments industry, but here the number of challenges and limitations remain still now. Only if

these challenges can overcome then the Bangladesh's garments industry continue to prosper again. And Bangladesh's garments can shine in the world market quickly. These are the issues but there have a lot of issues like and the compliance has to handle it.

Now the situation of compliance in Bangladesh ready-made garments as satisfactory. But here have still a lot of problems. But the compliance managers are trying to sort out these problems but that has to face a lot of problems. These are:

- They can't ensure the worker right wages and benefits regularly because of lack of management support from the factory.
- They can't follow up right working times regularly for reasons of their like management supports and for the tendency of working on production.
- There has a weak support by the supervisor and managements to ensure the worker health and facilities.
- There have a lot of workers and managements lacking and for that the workers can't get their right leaves if they need.
- The workers get harassed by the upper level employees and other in the organization but they can't say it to the compliance for the risk of losing the work.
- The women don't get their perfect right by their organization.
- For the lacking from the supervisor and the management the compliance can't always ensure the safety.
- In the factories by the worker also make their job done by forcing them. But they can't tell it to the compliance for the risk.
- Sometimes on the force of other upper level managements the compliance also can get any action against a grievance letter.
- In some factories there haven't any welfare officer for the worker.

These are the mainly issues that a compliance manager faces and he can't properly solve it. But now a day, things are going to change. Now the workers are become more aware about their facilities. And for that the compliance manager's task become easier. And now the compliance gets some more ideas to cope with these issues.

But still now Bangladesh's garments social compliance is satisfactory but not up to the mark everywhere. Because, here the main reason is cheap labor cost and insufficient of working place. But here if, the workers get sufficient facilities and the compliance manager get the sufficient ability to work with them then the compliance in the ready-made garments of Bangladesh are going to top.

5.3.LAWS OF COMPLIANCE FOR THE RMG WORKERS

As we mentioned before in Bangladesh it's a plenty of garments product manufacturing. Here have a lot of garments. And most of the first-world depends on the Bangladeshi garments. Because some of their reasons. Here have some plenty of skilled workers, and most of them the main reason is the cheapest price of here is the main reason. Because here the labor wages are in a low price. But here the quality is too good. But there has another problem in the garments industries that, here the workers aren't get their rights properly. They fall in a lot of problems and they don't get the support from the garments authority. And they get deprived. Because of their weakness. For that reason, to revile the worker's rights the government make some rules for the garments factory authority and to run the factory they should have to follow these rules and regulations and give some advantages to the factory workers. These are called compliance facility for the workers. Because the compliance mainly run in a garments industry for the workers.

With that the buyer also become aware in this regards. Because the buyers from the first-world country always want a quality product. And they think if the worker doesn't get any privileges then they can't work and give the best feedback. For that reason, the buyers also make some rules and regulation for the garments industries. And the buyer also gives some compliance rules and the garments factory must have to maintain it. And, if they are not able to follow it then the buyer is able to withdraw the order from the garments. And for that the garments are bound to obey these rules too.

In the way, a garments factory also has its own some rules regulation on the compliance. And the compliance team and the worker should follow it properly to worker on that particular factory.

For that reason, there have some laws that are created by the country government, the buyers who placed orders and the company means the garments. Here we will discuss about those laws there.

Laws by the government of Bangladesh in Compliance:

- A worker's minimum wages must be at least 8,800 Taka.
- A worker should work in a factory not more than eight hours. And he can work more extra 2 hours as an overtime.
- The overtime rate must be double than legal rate.
- If any worker work in a holiday the he has to pay triple and he has to give a leave within three working days.
- Ensure the workers safety in the working place. Take care about the working place that is how much safe for the workers and can they survive there or not?
- Ensure about their health. Ensure for them a proper treatment if they need.
- Give a proper treatment when he feels sick in the working place.
- Give opportunity to the workers
- Never bound any worker to work forced. Give them their freedom.
- Give extra facilities to the female workers.
- Give them extra earn leave each year with salary.
- Never accept any child labor.
- Prevent the worker from being abusive from the upper level.
- Increase worker salary every year as 5% minimum.
- Give freedom to the workers in there working place.

These are the laws which made by the government for the workers. Government always give workers extra privileges. Because they always get deprived.

Laws by the Buyer who give orders

- The garments authority must have to give the salary in the very starting of the month.
- They should give a week end holiday after every six working days.
- Always give the workers facilities as they need to do proper works.

- Never make the worker bound to work more than 8 hours in a day. And if he wants then he can make an overtime for 2 hours per day.
- Never bound the worker to work by forced.
- Never recruit a worker in piece rate system that means in a production contract.
- Work remain stop in every holiday.
- Never deprive any worker from their legal rights.
- Must be an emergency stairway for emergency exit.
- Must have sufficient personal protective equipment to protect the workers.
- Use quality and updated machines to the production work.
- Work in a sufficient lights and temperatures.
- Never make misbehave with worker that can low down the quality.

The buyers always think that the workers are main in a garments production. So they have to be satisfied. If the workers can't get any benefits, then the quality of production may go down. In the other hand, if they are happy with their working place then their production quality can get improved. So, they think about the workers most. For that they find 100% compliance garments factories to make their orders. Only for good quality.

Laws by the Garments authority

- Never take any worker less 18 years old.
- Give salary within 5-7 day on the ending of the month
- Never resign any worker without noticing them
- Always have to say prayer in time.
- Never work more than 8 hours per day.
- Never take any handicap worker. Or, if they take then their working time and rate may be different.
- Authority can fire any worker for any type of hilarious matter.
- Always be attend in the working place at 9 a.m.
- Must have to use canteen for lunch.
- Must have to clean the floors on the time of duty.

5.4. THE CURRENT SITUATION OF COMPLIANCE IN MKAL

As I make my internship here as a compliance in Monira Knit apparels then now it's really easy for me to report about the current compliance situation about this garments.

According to here in Monira Knit apparels LTD. The compliance situation is very satisfactory. Because here have all the compliance department have a good skilled employee there to work here. And it's really hard work for this organization to work here to maintain the compliance rules in the whole garments for workers. Because the workers never want to follow all the compliance rules and regulations perfectly. Because here most of the workers are not properly educated. And for this reason it's really hard for them to maintain it.

Here in this garments there have everyday a training session for the workers. And here in this training we trained all the workers about their personal protection, health and safety, BSCI platform, leaves and payments, salaries and so on.

Here in this organization the authority always gives the worker and employee's salaries and wages in time in the very earlier of the month. The garments authority also give the workers leaves and fulfill their demands in time.

According to the compliance rules the company have to ensure the health and safety of the workers. And for that the authority always make sure the workers never work near to the power station but sometimes the worker never follows these rules and break it. But the compliance always makes them notice about that and aware of that about it.

Like that also the worker is always order to drink mineral water from the jar but they don't follow this they always try to break it and drink unhygienic water. But the compliance department always follow about it to make them aware about it.

In this year we have faced a compliance audit from BSCI (Business Social Compliance Initiative). Here in this audit we have faced a lot of problems on this. After that we are able to come over from this problem quickly on that time. But after that we have a make good result in this audit. But still now there have some findings on that factory in compliance. And here still now company trying to meet up those problems.

5.5.STRENGTH ON MKAL IN COMPLIANCE FROM OTHERS

Monira Knit apparels ltd. Though it is a mid-level garments factory here it has a lot of strength in the compliance department to make the company improved. Because here the compliance culture is so experienced. Here the strength is in the compliance:

- **The support from the owner:**The support from the owner is the main. Because, if the authority doesn't support to the compliance team then the compliance can never change the garments work.
- **The support from the management:**Here is the support from the management. Because, the management always want to make their production higher. But, if the compliance wants to maintain then it may be sometimes difficult for them to make production but they sacrifice it sometimes.
- **The well experienced compliance manager:**Here the manager of the compliance is well experienced. For that he always shares the ups and downs of this with the compliance team.
- **Experienced compliance team:**Here the compliance team is very experienced. And for that they can always handle all the problem easily.
- **Well decorated compliance function:**Here all the compliance factory is well decorated by the on the compliance department.
- **Mentality of following compliance rules:**Here have all the management level and mid-level authority have the mentality to follow the compliance in the garments but the worker has a few mentalities to obey it. But now the culture is changing.
- **Support from the BKMEA:**Here in this garments BKMEA always gives their loyal support. They always give advice on the problem of the garments.
- **Dedication from the employee:**Here all the compliance workers are dedicated to work here and always try to make betterment.
- **Well training to the workers:**Here have all workers always get well training to get knowledge about the compliance and the rules of it. And for that they make always a training session for them.

These are the reasons for which the compliance is really strength in this garments here.

5.6.PROSPECT OF MKAL IN RMG SECTOR

The future situation of Monira Knit Apparels Ltd. Is very bright. As I am one an employee in here so know the situation of Monira Knit Apparels Ltd. Very well. Here have a lot of reason for it. And here I will discuss about it.

No laggings of capital:According to me there have no laggings of capital for them. And for this reason they can do any step to fulfill it there. And they can make their project bigger if they want. And they can make a lot of test to make a project.

Big source of raw materials:Their sources of raw materials are very wide. They have enough resources from where they can get and maintain the raw materials. And for that they never have to stop their productions for the raw materials.

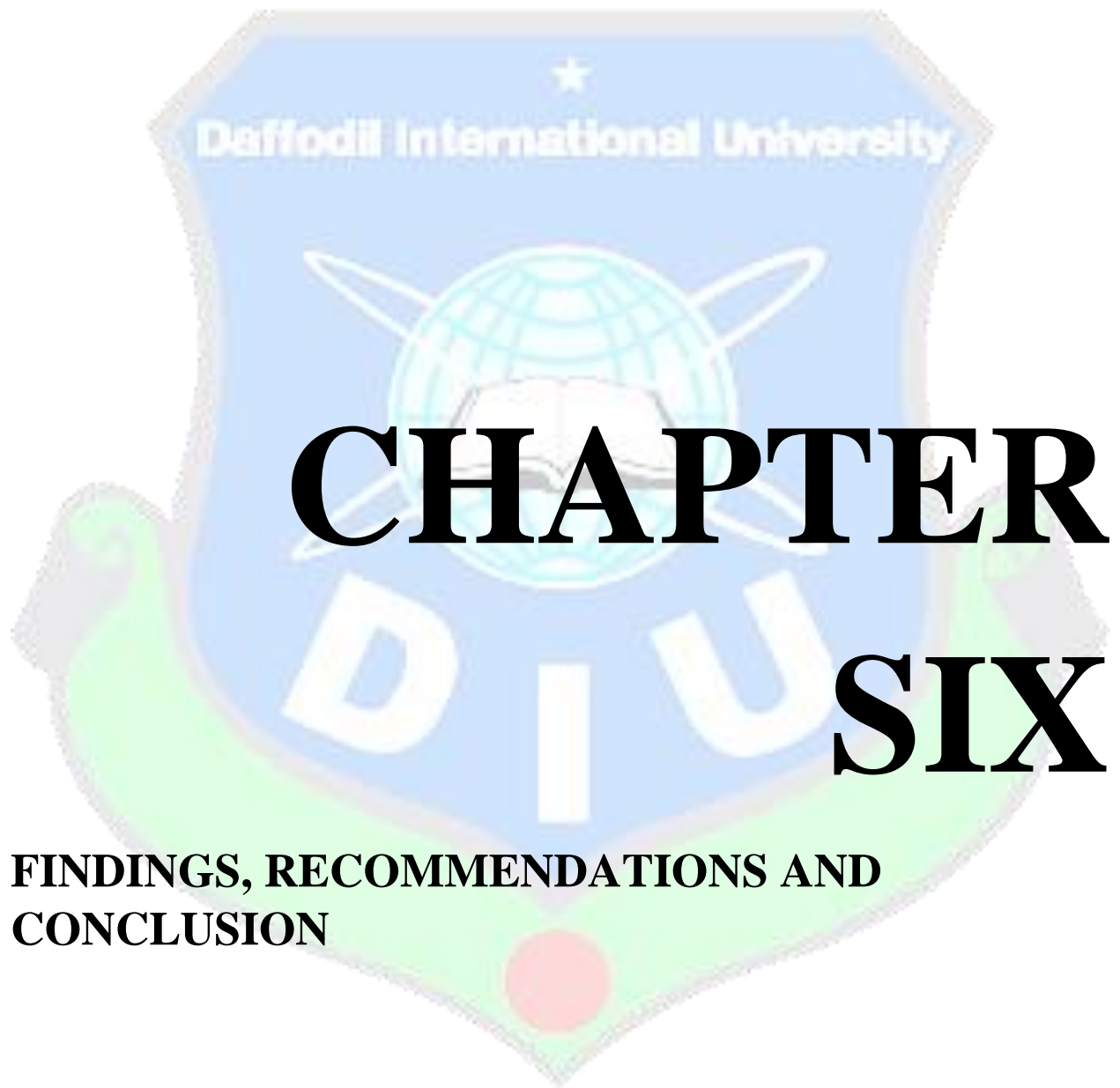
Wide source of man power:They have a big sources worker to make their work done. And most of the workers they get are really well skilled.

Have wide compliance culture:In this factory there have a wide compliance culture to the office staffs and the compliance department always maintain the compliance works. Because here the compliance department always make their best.

Have new vision of making a big new project:Though the factory is mid-level but they have a new project of making a new factory as their new project in another place and it seems to be the biggest factory in Narayanganj.

Staffs working ability:Here the ability of working by the staffs are very satisfactory. Because off the staffs are working here very experienced so they can solve any problems by their own.

Wide reputation:The garment's owner and the factory both have a very good reputation here in the city and most of the people know about the factory.



CHAPTER SIX

FINDINGS, RECOMMENDATIONS AND CONCLUSION

6.1. SUMMARY OFFINDINGS

- After studying on compliance it was found that, there are probably 3 types of common compliances. Like Social compliance, Security compliance and Quality maintaining compliance. But all of these compliances are not followed by the most of the company properly.
- Most of the companies still now running without following those compliances properly. They think that if they obey all of these compliances properly then they can't effort to make more profits. And it also hampers their working hours too. And it can also make a productions loss too per day.
- In some garments company they follow some compliances properly but they don't follow the other compliances. In the main case, most of the companies don't follow the wages rate of the worker and they also don't follow on the overtimes too and they make overtime by the workers more than the limit.
- Most of the company also don't follow the overtime process and formalities too. They doesn't give the workers sufficient facilities on the time of overtime.
- In many garments company also run their factory on the weekends too. And the workers of some factory also don't make any protest. And for that reason the other workers also get deprived from the holiday facilities. And in the next they don't get the weekends facilities too.
- In some garments factory there have still now workers work on production contract. Which is not allowable for the compliance guideline. Because it can low down the production quality. Because the worker think they will produced higher they will pay higher and for that they tries to work quickly as soon as possible that can makes mistakes in production and lose the good quality and the buyer also face loss which is really bad for the reputation of our export quality.

6.2. RECOMMENDATIONS

The study suggests the following recommendations that might help to improve the compliance practices in the RMG industry:

- In the very first the government should have to increase awareness about the rights of workers. It's really important for them to enforce the compliance law on the garments industries. The government have to make some agencies who always follow up the garments industries who break the laws.
- The government should have increase the wages scale for the workers in a realistic way. By which they cope up with the today's market price.
- The government should have to make more skill development organization who will train the workers for free. So that they can increase their skills in the working place. And can't make any objection about lack of skills.
- Now every garments need skilled and leadership taking HR manager. Who can quickly communicate with workers so that the factory workers can know about the worker's demand?
- The government should aware the workers about their holidays and overtimes.
- The government should remove all the corruptions from the BKMEA.
- Government should remove all the corruptions from the labor office.
- The government should demotivate all the workers for not making work on production.
- The government should have to make a free access for the workers with labor inforce agencies.
- Always bound the audit officers to make the actual and real report of the compliance audit so that the buyer can't be influenced by the fake report.

By that we can clearly reserve the rights for the workers easily. And we can make a good compliance law for the RMG industries.

6.3.CONCLUSION

Here we discussed about the compliance and the types of compliance and the activities and effectiveness of compliance in the RMG sector of Bangladesh. As Bangladesh have a lot of garments factory and here haven't any laggings of workers. But here the workers need safety physically, financially, mentally. And for that the garments need 100% completed compliance guide. Though most of the garments are now a day follow the compliance but still now here have a lot of laggings. Because here many garments don't follow any rules and regulations. They break worker rights and deprive them from it. But now it's a high time, the government have to take action on it to spread the worker's rights. Because, the foreign buyers always want the worker's safety in the working place. Because they think if the workers get everything Ok then they can work in their working place with a freedom and pleasure. And it can also make the production quality best.

On the other hand, if they don't get the things Ok and don't get any safety of their own then their working standard can't meet up the quality. And it can make the quality so bad.

And, if the buyers don't get good quality product then one day they may shift their orders in other countries where they will get their quality product.

So, now it's a high time to solve those compliance problems from our country to get more export quality orders in ready-made garments sector. To take Bangladesh the first position in the world ranking.

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